

III. STATE PLAN NARRATIVE. A vital element of the SQSP is the newly created opportunity it provides for SESAs to share their key program objectives for the coming year, and the strategies the State intends to utilize to achieve those objectives. Of necessity, the SESAs engage in an annual planning process and set priorities for the coming year. The State Plan Narrative provides a vehicle for sharing the results of that process with the Federal Partner, in a mutually agreed-upon format. In addition, it provides an opportunity to report on the integration and coordination with other internal and external plans which serve the same client.

A. Description. The State Plan Narrative consists of an overview and one or more brief focus narratives or summaries, in a prescribed format (see Appendix I), addressing each major planning element (goal, objective, functional or programmatic area) upon which the SESA plans to focus during the fiscal year. To the extent feasible, these key program objectives will include elements identified as areas of Federal Program Emphasis.

The overview should not be a lengthy document. Focus narratives also should be concise, and serve only as a springboard for additional information. A more detailed discussion with Regional Office staff already may have occurred, or may occur as a follow up. However, in order to develop Regional and National Office support for its objectives, the SESA needs to provide a minimum amount of information relative to the categories defined in a format that allows for follow-up and tracking.

Below are the components to be included in the State Plan Narrative. These components may be addressed in either the overview or a focus narrative as best describes the State's direction and plans:

- The strategic direction the SESA has adopted to ensure continuous program improvement including the basis for the State's choice of areas for the State to emphasize in the planning year and for the actions planned to support performance improvement during the year.
- A brief description of the current SESA environment that has a direct impact on UI program performance. Examples of environmental factors include economic conditions, political climate, labor/business relationships, and State legislative issues.
- Assessment of program performance in prior program years.
- State-identified continuous improvement targets for the coming year and strategies for accomplishing them.
- Responses to the Secretary of Labor's areas of program emphasis.
- Information on the SESA approach to maintaining solvency of the State's unemployment fund.

- Information on the SESA strategy for evaluating customer satisfaction and including customer input to promote continuous improvement.

B. Format and Instructions. The State Plan Narrative format and instructions are contained in Appendix I along with a completed sample. The format is intended to provide SESAs flexibility in conveying their overall direction and emphases while providing for future electronic transmittal.